



UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
WASHINGTON, D. C.

142
5085
APR 26 1938

February 28, 1938.

Dear Committeeman:

Farm legislation which continues and amends the Soil Conservation and Domestic Allotment Act under which the 1938 agricultural program will be formulated has been signed by the President of the United States. If the program is to be successfully put into operation, you who are charged with the responsibility of presenting the program to producers have only a short time in which to do a big job.

Your immediate efforts should be: (1) To get a 1937 worksheet on file for all farms in your county in order that each farm may receive the proper acreage allotments; (2) To present the main features of the 1938 program to your neighboring producers in order that they may vote intelligently in the cotton and tobacco marketing quota referenda to be held on March 12.

Some of these main features are:

(1) Under the 1938 Agricultural Conservation Program farm acreage allotments will be established for the following crops: cotton, tobacco, wheat, rice; and in commercial areas, peanuts and potatoes. A total soil-depleting acreage allotment will also be established for each farm. Conservation payments will be made for keeping within the acreage allotments and for achieving the soil-building goal established for the farm. If the conservation payment computed for a producer with respect to a farm is less than \$200, the payment will be increased.

(2) These acreage allotments set acreage limits, and if plantings are made in excess of these limits the conservation payments will be reduced. If cotton marketing quotas are approved by producers and the cotton acreage allotment is knowingly overplanted, the farmer will lose all conservation payments and 1937 cotton price adjustment payments.

(3) If approved by producers, marketing quotas set up a marketing limit for the farm, and cotton produced and sold in 1938 in excess of this limit will be subject to a penalty on each pound of this excess. All the cotton produced on the farm's cotton acreage allotments may be sold without penalty. Penalties will not apply to cotton produced on farms which have received an acreage allotment where the total production does not exceed 1,000 pounds of lint cotton.

(4) The marketing quota for tobacco is on a poundage basis. For flue-cured tobacco the marketing quota for the farm will not be less than the smaller of either (1) 3,200 pounds or (2) the average tobacco production plus the diverted production for the farm during the years 1935, 1936, and 1937. As in the case of cotton, marketing quotas on tobacco will not be in effect unless approved by producers.

(5) The cotton and tobacco marketing quotas limit the amount of cotton and tobacco that may be sold by both the non-cooperator and cooperator. Cotton loans will not be available in 1938 unless producers approve cotton marketing quotas. Those who knowingly overplant their cotton acreage allotments will lose all conservation payments, 1937 cotton price adjustment payments, and will be unable to obtain a cotton loan except on the cotton produced in excess of their cotton marketing quota and then only at a rate of 60 percent of the rate available to cooperators.

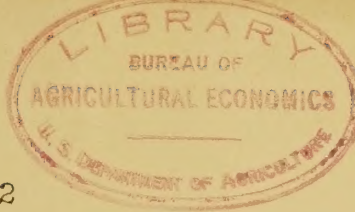
(6) The Act provides that conservation payments will be divided among landlords, tenants, and share-croppers in the same proportion as they divide the crop on which the payment is made, except that payments based on soil-building or soil-conserving practices will be divided in proportion to their contribution to carrying out these practices.

Additional information relative to provisions of the program concerning wheat and the other major commodities will be sent you as quickly as it can be assembled. In the meantime, we urge you to exert every effort to secure complete 1937 worksheet coverage and explain these main features of the program to producers before they vote in the marketing quota referenda.

Very truly yours,

J. W. Duggan

I. W. Duggan,
Acting Director, Southern Division.



142
5085
APR 26 1938

SR Committeeman Letter No. 202

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
WASHINGTON, D. C.

March 23, 1938.

TO COMMITTEEMEN IN MAJOR WHEAT COUNTIES

Dear Committeeman:

Appreciating your responsibility as a committeeman and as a leader in your community, we feel that you should keep in mind some of the reasons why an agricultural conservation program has been provided and that you should have some advance information regarding the provisions of the program for 1938.

The 1938 program will tend to establish a better balance between the supply of and the demand for wheat, cotton, and some other cash crops. The lack of this balance is reflected in wheat by the current estimated production and supply as compared with the probable total demands. For example, the preliminary estimated seeding of wheat for harvest in 1938 is almost 80,000,000 acres, which at average yields may produce in the neighborhood of 830,000,000 bushels. This, when added to a possible carry-over of about 200,000,000 bushels, would make a total wheat supply of approximately 1,030,000,000 bushels in 1938 as compared with a normal home consumption and exports of about 670,000,000 bushels. Then, with average consumption, and assuming that exports will not be more than 50,000,000 bushels, the carry-over July 1, 1939, would be expected to be around 300,000,000 bushels, as compared with a normal carry-over of approximately 115,000,000 bushels. With this situation, it appears that the price will remain low.

The 1938 Agricultural Conservation Program will in application proceed along the same general lines as the 1937 program. Normal soil-depleting crop acreages will be established for each farm, corresponding somewhat to the base established under the 1937 program, and the farmer will be encouraged to change a portion of these soil-depleting acreages to soil-building crops or practices. To encourage this change from soil-depleting crops to soil-building crops or practices, (1) soil-depleting acreage allotments smaller than the normal acreage and a soil-building goal will be established for each farm, and (2) payments will be made for planting within these soil-depleting acreage allotments and for carrying out the soil-building practices within the soil-building goals. A payment will be made on the normal production of the wheat acreage allotment, while on the wheat planted in excess of the wheat acreage allotment but not in excess of the general soil-depleting acreage allotment, payment will be made on the same basis as for general soil-depleting crops. If a farmer exceeds

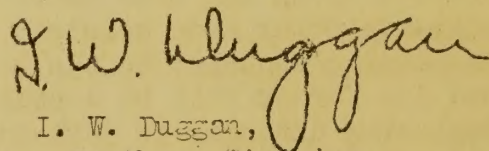
his total soil-depleting acreage allotment, which includes wheat, cotton, and other soil-depleting crops, deductions from his total possible payment will be made. All farmers who plan to participate in the program and who have seeded wheat in excess of their expected general crop acreage allotment, no doubt have already designated such excess acreage as a winter cover crop to be followed by an approved soil-building practice.

An acreage allotment for wheat to be planted in the fall of 1938 will be established for each wheat farm. These acreage allotments will be announced prior to wheat seeding, and performance in 1939 will be checked on the basis of such allotments.

The Agricultural Conservation Program is now supplemented and strengthened by providing: (1) marketing quotas, when supplies become burdensome; (2) reserve supplies, for protection against short crops; (3) crop loans, for use when farm prices are low or supplies are high; and (4) wheat crop insurance which will be in effect for the 1939 crop, to protect the individual wheat farmer from total loss in the event of crop failure. The crop insurance program will be administered by the Agricultural Adjustment Administration through the county committee in conjunction with the Federal Crop Insurance Corporation.

You can assist in making the program operate smoothly by carefully studying the information that will be provided you within the next few days so that you will be prepared to help the farmers in your community to make the provisions of the program effective on their farms.

Very truly yours,



I. W. Duggan,
Director, Southern Division.



UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

April 20, 1938

TO COMMITTEEMEN IN RICE COUNTIES

Dear Committeeman:

The 1938 program will tend to establish a better balance between the supply of and the demand for rice, as well as for other cash crops. The supply of American rice for the 1937-38 season was the largest on record. Present indications are that the carry-over at the end of this season will be larger, even, than the record established last year. Prospective plantings of 1,073,000 acres for the 1938 crop are approximately the same as planted in 1937. If 1,073,000 acres of rice should be planted in 1938, the supply for the 1938-39 season would be materially in excess of consumption during any recent year. The national acreage goal for rice under the 1938 Agricultural Conservation Program is approximately 850,000 acres.

The 1938 Agricultural Conservation Program has the same general purposes as the 1937 program, although the methods of accomplishing these purposes, in some cases, are different. A total soil-depleting crop acreage allotment, which represents the largest number of acres of soil-depleting crops of all kinds that should be grown on the farm in 1938, is established for each farm. A soil-building goal is established for each farm and payment will be made for each approved soil-building practice carried out within this goal. Individual acreage allotments are established for rice, cotton, and certain other soil-depleting crops in sections where each of these crops is applicable. Payment will be made for planting within each of these soil-depleting crop acreage allotments.

Each rice producer is given a rice acreage allotment. He may then allocate his acreage allotment to the farm or farms on which he intends to participate in the production of rice in 1938. The sum of all allocations to a farm, adjusted in accordance with the acreage on the farm suited to rice production and for which water is readily available, and to make allotments for all similar farms comparable with respect to such factors, will become the farm's rice acreage allotment for 1938. A normal yield per acre for the farm will then be established on the basis of production records for the years 1933-37, inclusive, or if records are not available, the county committee, after due consideration of all factors concerned, will establish a normal yield for the farm.

Payments with respect to rice will be computed at the rate of 12-1/2 cents per 100 pounds on the normal production of the 1938 rice acreage allotment for the farm. A deduction will be made at the rate of \$1.00 per 100 pounds of the normal yield on the acreage planted in excess of the rice acreage allotment for the farm. The net payment or the net deduction computed for the farm with respect to rice will be divided among the producers on the farm who are participating in the production of rice on the basis of their interest in the 1938 rice acreage as shown by the lease or operating agreement.

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Within the next few days additional information will be sent you through the county agent in order that you may be better prepared to help the farmers in your community to use the provisions of the 1938 Agricultural Conservation Program in making good farming practices effective on their farms.

Very truly yours,

I. W. Duggan

I. W. Duggan,
Director, Southern Division

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Washington, D. C.

April 20, 1938

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The 1938 Agricultural Conservation Program has the same general purposes as the 1937 program, although the methods of accomplishing these purposes, in some cases, are different. A total soil-depleting crop acreage allotment, which represents the largest number of acres of soil-depleting crops of all kinds that should be grown on the farm in 1938, is established for each farm. A soil-building goal is established for each farm and payment will be made for each approved soil-building practice carried out within this goal. Individual acreage allotments are established for rice, cotton, and certain other soil-depleting crops in sections where each of these crops is applicable. Payment will be made for planting within each of these soil-depleting crop acreage allotments.

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Within the next few days additional information will be sent you through the county agent in order that you may be better prepared to help the farmers in your community to use the provisions of the 1938 Agricultural Conservation Program in making good farming practices effective on their farms.

Very truly yours,

I W Duggan

I. W. Duggan,
Director, Southern Division

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
WASHINGTON, D. C.



May 16, 1938

Dear Committeeman:

Fifty-three counties in five of the Southern States have been designated as commercial peanut-producing areas under the 1938 Agricultural Conservation Program. Peanuts for market grown on farms in these designated areas are considered as a special soil-depleting crop, while peanuts harvested on other farms are considered as a general soil-depleting crop. Peanuts dug for hay are considered as a general soil-depleting crop in all areas. Some of the peanut growers in these fifty-three counties are afraid that other growers will increase their acreage of peanuts for market enough to offset the adjustment made by growers in the designated commercial counties. Undue expansion of the acreage of peanuts for market in noncommercial areas will be prevented in two ways.

A total soil-depleting acreage allotment which limits the acreage of all soil-depleting crops that may be grown on the farm without penalty is established for each farm. If the acreage of peanuts is expanded, the acreage of other soil-depleting crops must be reduced accordingly, or the farm must forfeit a part of its payment for each acre devoted to soil-depleting crops in excess of the total soil-depleting crop acreage allotment.

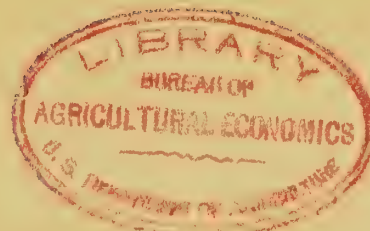
The provision for withholding a payment from anyone who attempts to defeat the purposes of the program is a second method of preventing undue expansion of the acreage of peanuts for market. Since one purpose of the program is to encourage the use of former cotton and other special soil-depleting crop acres for the production of food and feed for home use, it is obvious that increased production of peanuts for market in non-commercial areas, in competition with commercial areas, defeats this purpose if such a producer has not provided enough food and feed crops for his home needs.

Acreage devoted to peanuts hogged off is not considered soil-depleting and such acreage would not result in a deduction for overplanting the total soil-depleting acreage allotment for the farm nor be considered as an attempt to defeat any of the purposes of the program.

Very truly yours,

I. W. Duggan,
Director, Southern Division.

SR Committeeman Letter No. 205 - Alabama



UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.

JUL 29 1938

TO AGRICULTURAL CONSERVATION COMMITTEEMEN IN ALABAMA

June 7, 1938

Dear Committeeman:

Letters frequently come to us which indicate that there is a general belief that farmers cannot produce all the food and feed needed for the home and farm and at the same time plant within their total soil-depleting acreage allotments.

In addition to the soil-depleting feed crops that may be grown on soil-depleting acreage allotments, other feed may be produced on the acreage available for nondepleting crops. In fact, many farmers can produce nondepleting feed crops, particularly cowpeas and soybeans for hay and peanuts for hogging, more profitably than soil-depleting feed crops.

In Alabama, for the 5 years, 1928-32, the average corn production was about 12 bushels per acre, giving about 580 pounds of total digestible nutrients. During the same 5-year period, cowpeas and lespedeza each produced an average of a little more than 3/4 of a ton of hay per acre or about 800 pounds of total digestible nutrients; soybeans produced almost 1 ton of hay per acre or about 880 pounds of total digestible nutrients; alfalfa produced about 1 1/2 tons of hay per acre or about 1,500 pounds of total digestible nutrients; and peanuts produced an average of 550 pounds of nuts per acre with a total digestible nutrient value (because of their high fat content) of about 570 pounds.

To summarize, corn produced an average of approximately 580 pounds of total digestible nutrients per acre as compared with 800 pounds from cowpea and lespedeza hay each; 880 pounds from soybean hay, 1,500 pounds from alfalfa hay, and about 570 pounds from peanuts.

From this, it may be seen that in Alabama the nondepleting crops compare favorably with corn in the production of feed, although this is not true except for alfalfa, in the commercial corn-producing areas where corn yields are high. The nondepleting crops, moreover, have the additional advantages of leaving the land in a more productive condition than corn, and, in many cases, they can be planted later and on land not well adapted to corn.

In addition to hay, cowpeas produce green peas which should be available for family table use before hay-cutting time, without materially lowering the feed value of the hay. Peanuts, when hogged off, as well as cowpeas and soybeans, provide means for supplementing grain in producing the home meat supply. This may release grain for use where grain is practically necessary, such as for food, part of the feed for workstock and for poultry.

It may be pointed out, too, that land will be counted as soil-depleting in 1938 only once, no matter how many general soil-depleting crops are harvested from it. For instance, land on which a crop of oats has been harvested may be followed by a crop of corn, sweetpotatoes, or sorghum for syrup, and be classified as soil-depleting only once.

By a wise use of the total soil-depleting acreage allotment, as well as other available land on the farm, each farmer should be able to produce an adequate supply of food and feed for home use. You, as a committeeman, can be of assistance to farmers by telling them how they may accomplish this.

Very truly yours,

I. W. Duggan

I. W. Duggan,
Director, Southern Division.

SR Committeeman Letter No. 205 - Arkansas

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.



TO AGRICULTURAL CONSERVATION COMMITTEEMEN IN ARKANSAS

JUL 29 1938

June 7, 1938

Dear Committeeman:

Letters frequently come to us which indicate that there is a general belief that farmers cannot produce all the food and feed needed for the home and farm and at the same time plant within their total soil-depleting acreage allotments.

In addition to the soil-depleting feed crops that may be grown on soil-depleting acreage allotments, other feed may be produced on acreage available for nondepleting crops. In fact, many farmers can produce nondepleting feed crops, particularly cowpeas and soybeans for hay and peanuts for hogging, more profitably than soil-depleting feed crops.

In Arkansas for the five years, 1928-32, the average corn production was about 16 bushels per acre, giving about 750 pounds of total digestible nutrients. During the same 5-year period, cowpeas, soybeans and lespedeza each produced an average of about 1 ton of hay per acre or about 1,000 pounds of total digestible nutrients; alfalfa produced 2 tons of hay per acre or about 2,100 pounds of total digestible nutrients; and peanuts produced an average of 540 pounds of nuts per acre with a total digestible nutrient value (because of their high fat content) of about 560 pounds.

To summarize, corn produced an average of approximately 750 pounds of total digestible nutrients per acre as compared with 1,000 pounds from cowpea, soybean and lespedeza hay each; 2,100 pounds from alfalfa hay and about 560 pounds from peanuts.

From this, it may be seen that, in Arkansas the nondepleting crops compare favorably with corn in the production of feed, although this is not true, except for alfalfa, in the commercial corn-producing areas where corn yields are high. The nondepleting crops, moreover, have the additional advantages of leaving the land in a more productive condition than corn and, in many cases, they can be planted later and on land not well adapted to corn.

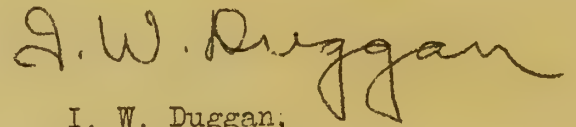
In addition to hay, cowpeas produce green peas which should be available for family table use before hay-cutting time, without materially lowering the feed value of the hay. When hogged off, peanuts, as well as cowpeas and soybeans, provide means for supplementing grain in producing the home meat supply. This may release grain for use where grain is

practically necessary, such as for food, for part of the feed for work-stock and for poultry.

It may be pointed out, too, that land will be counted as soil-depleting in 1938 only once, no matter how many general soil-depleting crops are harvested from it. For instance, land on which a crop of oats has been harvested may be followed by a crop of corn, sweetpotatoes, or sorghum for syrup, and be classified as soil-depleting only once.

By a wise use of the total soil-depleting acreage allotment, as well as of other available land on the farm, each farmer should be able to produce an adequate supply of food and feed for home use. You, as a committeeman, can be of assistance to farmers by telling them how they may accomplish this.

Very truly yours,

A handwritten signature in dark ink, reading "I. W. Duggan". The signature is written in a cursive style with a large, sweeping "D" and a long, horizontal tail stroke.

I. W. Duggan,
Director, Southern Division.

SR Committeeman Letter No. 205 - Florida

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.



JUL 29 1938

TO AGRICULTURAL CONSERVATION COMMITTEEMEN IN FLORIDA

June 7, 1938

Dear Committeeman:

Letters frequently come to us which indicate that there is a general belief that farmers cannot produce all the food and feed needed for the home and farm and at the same time plant within their total soil-depleting acreage allotments.

In addition to the soil-depleting feed crops that may be grown on soil-depleting acreage allotments, other feed may be produced on the acreage available for nondepleting crops. In fact, many farmers can produce nondepleting feed crops, particularly cowpeas and soybeans for hay and peanuts for hogging, more profitably than soil-depleting feed crops.

In Florida for the five years, 1928-32, the average corn production was about 10 bushels per acre, giving about 450 pounds of total digestible nutrients. During the same 5-year period, cowpeas produced an average of about two-thirds of a ton of hay per acre or about 800 pounds of total digestible nutrients; and peanuts produced an average of 530 pounds of nuts per acre with a total digestible nutrient value (because of their high fat content) of about 550 pounds. To summarize, corn produced an average of approximately 450 pounds of total digestible nutrients per acre as compared with 800 pounds from cowpea hay, and about 550 pounds from peanuts. From this, it may be seen that, in Florida the nondepleting crops compare favorably with corn in the production of feed, although this is not true, except for alfalfa, in the commercial corn producing areas where corn yields are high. The nondepleting crops, moreover, have the additional advantage of leaving the land in a more productive condition than corn and, in many cases, they can be planted later and on land not well adapted to corn.

In addition to hay, cowpeas produce green peas which should be available for family table use before hay-cutting time, without materially lowering the food value of the hay. Peanuts, when hogged off, as well as cowpeas and soybeans, provide means for supplementing grain in producing the home meat supply. This may release grain for use where grain is practically necessary, such as for food, for part of the feed for work-stock, and for poultry.

It may be pointed out, too, that land will be counted as soil-depleting in 1938 only once, no matter how many general soil-depleting crops are harvested from it. For instance, land on which a crop of oats has been harvested may be followed by a crop of corn, sweetpotatoes or sorghum for syrup, and be classified as soil-depleting only once.

By a wise use of the total soil-depleting acreage allotment, as well as other available land on the farm, each farmer should be able to produce an adequate supply of food and feed for home use. You, as a committeeman, can be of assistance to farmers by telling them how they may accomplish this.

Very truly yours,

I. W. Duggan

I. W. Duggan,
Director, Southern Division.

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D.C.

June 7, 1938

JUL 29 1938

TO AGRICULTURAL CONSERVATION COMMITTEEMEN IN GEORGIA

Dear Committeeman:

Letters frequently come to us which indicate that there is a general belief that farmers cannot produce all the food and feed needed for the home and farm and at the same time plant within their total soil-depleting acreage allotments.

In addition to the soil-depleting feed crops that may be grown on soil-depleting acreage allotments, other feed may be produced on the acreage available for nondepleting crops. In fact many farmers can produce nondepleting feed crops, particularly cowpeas and soybeans for hay and peanuts for hogging, more profitably than soil-depleting feed crops.

In Georgia for the five years, 1928-32, the average corn production was about 10 bushels per acre, giving about 460 pounds of total digestible nutrients. During the same 5-year period, soybeans produced an average of a little less than a ton of hay per acre or about 880 pounds of total digestible nutrients; cowpeas produced $2/3$ of a ton of hay per acre or about 675 pounds of total digestible nutrients; lespedeza produced about $3/4$ of a ton of hay or about 815 pounds of total digestible nutrients per acre; alfalfa produced almost 2 tons of hay per acre or about 1,800 pounds of total digestible nutrients; and peanuts produced an average of 570 pounds of nuts per acre with a total digestible nutrient value (because of their high fat content) of about 590 pounds.

To summarize, corn produced an average of approximately 460 pounds of total digestible nutrients per acre as compared with 880 pounds from soybean hay; 675 pounds from cowpea hay; 815 pounds from lespedeza hay; 1,800 pounds from alfalfa hay and about 590 pounds from peanuts.

From this, it may be seen that, in Georgia the nondepleting crops compare favorably with corn in the production of feed, although this is not true, except for alfalfa, in the commercial corn-producing areas where corn yields are high. The nondepleting crops, moreover, have the additional advantages of leaving the land in a more productive condition than corn and, in many cases, they can be planted later and on land not well adapted to corn.

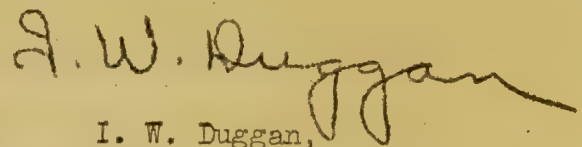
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cowpeas and soybeans, provide means for supplementing grain in producing the home meat supply. This may release grain for use where grain is practically necessary, such as for food, part of the feed for workstock and for poultry.

It may be pointed out, too, that land will be counted as soil-depleting in 1938 only once, no matter how many general soil-depleting crops are harvested from it. For instance, land on which a crop of oats has been harvested may be followed by a crop of corn, sweetpotatoes, or sorghum for syrup, and be classified as soil-depleting only once.

By a wise use of the total soil-depleting acreage allotment, as well as other available land on the farm, each farmer should be able to produce an adequate supply of food and feed for home use. You as a committeeman, can be of assistance to farmers by telling them how they may accomplish this.

Very truly yours,

A handwritten signature in dark ink, appearing to read "I. W. Duggan". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

I. W. Duggan,
Director, Southern Division.

SR Committeeman Letter No. 205 - Louisiana

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.



TO AGRICULTURAL CONSERVATION COMMITTEEMEN IN LOUISIANA

June 7, 1938.

Dear Committeeman:

Letters frequently come to us which indicate that there is a general belief that farmers cannot produce all the food and feed needed for the home and farm and at the same time plant within their total soil-depleting acreage allotments.

In addition to the soil-depleting feed crops that may be grown on soil-depleting acreage allotments, other feed may be produced on the acreage available for nondepleting crops. In fact, many farmers may profitably produce nondepleting feed crops, particularly cowpeas and soybeans for hay and peanuts for hogging, more profitably than soil-depleting feed crops.

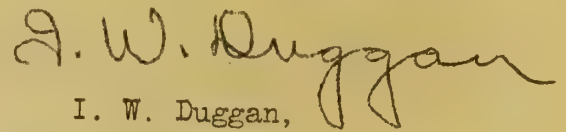
In Louisiana for the five years, 1928-32, the average corn production was about 14 bushels per acre, giving about 675 pounds of total digestible nutrients. During the same 5-year period, cowpeas and lespedeza each produced an average of about 1 ton of hay per acre or about 1180 pounds of total digestible nutrients; soybeans produced about 1-1/4 tons of hay per acre or about 1,235 pounds of total digestible nutrients; alfalfa produced 2 tons of hay per acre or about 2,400 pounds of total digestible nutrients; and peanuts produced an average of 480 pounds of nuts per acre with a total digestible nutrient value (because of their high fat content) of about 500 pounds. To summarize, corn produced an average of approximately 675 pounds of total digestible nutrients per acre as compared with 1,180 pounds from cowpea and lespedeza hay each; 1,235 pounds from soybean hay, 2,400 pounds from alfalfa hay and about 500 pounds from peanuts. From this, it may be seen that, in Louisiana the nondepleting crops compare favorably with corn in the production of feed, although this is not true, except for alfalfa, in the commercial corn producing areas where corn yields are high. The non-depleting crops, moreover, have the additional advantages of leaving the land in a more productive condition than corn and, in many cases, they can be planted later and on land not well adapted to corn.

In addition to hay, cowpeas produce green peas which should be available for family table use before hay-cutting time, without materially lowering the feed value of the hay. Peanuts, when hogged off, as well as cowpeas and soybeans, provide means for supplementing grain in producing the home meat supply. This may release grain for use where grain is practically necessary, such as for food, part of the feed for workstock and for poultry.

It may be pointed out, too, that land will be counted as soil-depleting in 1938 only once, no matter how many general soil-depleting crops are harvested from it. For instance, land on which a crop of oats has been harvested may be followed by a crop of corn, sweet-potatoes or sorghum for syrup, and be classified as soil-depleting only once.

By a wise use of the total soil-depleting acreage allotment, as well as other available land on the farm, each farmer should be able to produce an adequate supply of food and feed for home use. You, as a committeeman, can be of assistance to farmers by telling them how they may accomplish this.

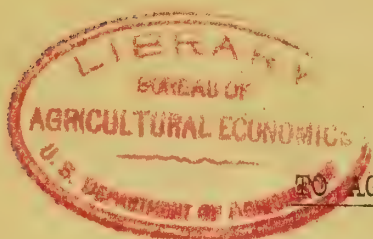
Very truly yours,

A handwritten signature in cursive script, reading "I. W. Duggan". The signature is written in dark ink and is positioned above the typed name and title.

I. W. Duggan,
Director, Southern Division.

SR Committeeman Letter No. 205 - Mississippi

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.



TO AGRICULTURAL CONSERVATION COMMITTEEMEN IN MISSISSIPPI

June 1, 1938.

Dear Committeeman:

Letters frequently come to us which indicate that there is a general belief that farmers cannot produce all the food and feed needed for the home and farm and at the same time plant within their total soil-depleting acreage allotments.

In addition to the soil-depleting feed crops that may be grown on soil-depleting acreage allotments, other feed may be produced on the acreage available for nondepleting crops. In fact, many farmers can produce nondepleting feed crops, particularly cowpeas and soybeans for hay and peanuts for hogging, more profitably than soil-depleting feed crops.

In Mississippi for the 5 years, 1928-32, the average corn production was about 15 bushels per acre, giving about 700 pounds of total digestible nutrients. During the same 5-year period, soybeans and lespedeza each produced an average of a little more than 1 ton of hay per acre or about 1,200 pounds of total digestible nutrients; cowpeas produced 1 ton of hay per acre or about 1,000 pounds of total digestible nutrients; alfalfa produced a little more than 2 tons of hay per acre or about 2,200 pounds of total digestible nutrients; and peanuts produced an average of 620 pounds of nuts per acre with a total digestible nutrient value (because of their high fat content) of about 640 pounds. To summarize, corn produced an average of approximately 700 pounds of total digestible nutrients per acre as compared with 1,200 pounds from soybean and lespedeza hay each; 1,000 pounds from cowpea hay, 2,200 pounds from alfalfa hay and about 640 pounds from peanuts. From this, it may be seen that, in Mississippi, the nondepleting crops compare favorably with corn in the production of feed, although this is not true, except for alfalfa, in the commercial corn-producing areas where corn yields are high. The nondepleting crops, moreover, have the additional advantages of leaving the land in a more productive condition than corn and in many cases, they can be planted later and on land not well-adapted to corn.

In addition to hay, cowpeas produce green peas which should be available for family table use before hay-cutting time, without materially lowering the food value of the hay. When hogged off, peanuts, as well as cowpeas and soybeans, provide means for supplementing grain in producing the home meat supply. This may release grain for use where grain is practically necessary, such as for food, part of the feed for workstock and for poultry.

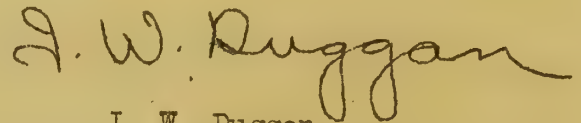
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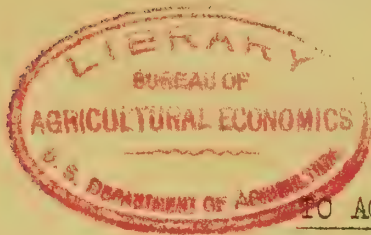
It may be pointed out, too, that land will be counted as soil-depleting in 1938 only once, no matter how many general soil-depleting crops are harvested from it. For instance, land on which a crop of oats has been harvested may be followed by a crop of corn, sweet-potatoes, or sorghum for syrup, and be classified as soil-depleting only once.

By a wise use of the total soil-depleting acreage allotment, as well as other available land on the farm, each farmer should be able to produce an adequate supply of food and feed for home use. You, as a committeeman, can be of assistance to farmers by telling them how they may accomplish this.

Very truly yours,

A handwritten signature in cursive script, reading "I. W. Duggan". The signature is written in dark ink and is positioned above the typed name and title.

I. W. Duggan,
Director, Southern Division.



UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D.C.

JUL 29 1938

TO AGRICULTURAL CONSERVATION COMMITTEEMEN IN OKLAHOMA

June 7, 1938

Dear Committeeman:

Letters frequently come to us which indicate that there is a general belief that farmers cannot produce all the food and feed needed for the home and farm and at the same time plant within their total soil-depleting acreage allotments.

In addition to the soil-depleting feed crops that may be grown on soil-depleting acreage allotments, other feed may be produced on the acreage available for nondepleting crops. In fact, many farmers can produce nondepleting feed crops, particularly cowpeas and soybeans for hay and peanuts for hogging, more profitably than soil-depleting feed crops.

In Oklahoma for the five years, 1928-32, the average corn production was about 16 bushels per acre, giving about 760 pounds of total digestible nutrients, while the production of grain sorghum was 10 bushels per acre or about 460 pounds of total digestible nutrients. During the same 5-year period, cowpeas and soybeans each produced an average of about 4/5 of a ton of hay per acre or about 850 pounds of total digestible nutrients; alfalfa produced a little less than 2 tons of hay per acre or about 1,900 pounds of total digestible nutrients; and peanuts produced an average of 525 pounds of nuts per acre with a total digestible nutrient value (because of their high fat content) of about 540 pounds.

To summarize, corn produced an average of approximately 760 pounds of total digestible nutrients per acre and grain sorghums an average of 460 pounds, as compared with 850 pounds from cowpea and soybean hay each; 1,900 pounds from alfalfa hay and about 540 pounds from peanuts.

From this, it may be seen that, in Oklahoma the nondepleting crops compare favorably with corn and grain sorghums in the production of feed, although this is not true, except for alfalfa, in the commercial corn-producing areas where corn yields are high. The nondepleting crops, moreover, have the additional advantages of leaving the land in a more productive condition than corn and grain sorghums and, in many cases, they can be planted later than corn and on land not well adapted to its production.

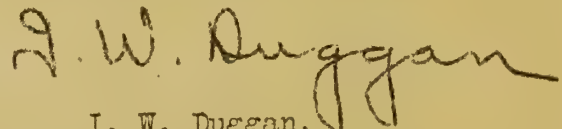
In addition to hay, cowpeas produce green peas which should be

available for family table use before hay-cutting time, without materially lowering the feed value of the hay. Peanuts, when hogged off, as well as cowpeas and soybeans, provide means for supplementing grain in producing the home meat supply. This may release grain for use where grain is practically necessary, such as for food, part of the feed for workstock and for poultry.

It may be pointed out, too, that land will be counted as soil-depleting in 1938 only once, no matter how many general soil-depleting crops are harvested from it. For instance, land on which a crop of oats has been harvested may be followed by a crop of corn, sweetpotatoes, or sorghum for syrup, and be classified as soil-depleting only once.

By a wise use of the total soil-depleting acreage allotment, as well as other available land on the farm, each farmer should be able to produce an adequate supply of food and feed for home use. You, as a committeeman, can be of assistance to farmers by telling them how they may accomplish this.

Very truly yours,

A handwritten signature in dark ink, reading "I. W. Duggan". The signature is written in a cursive style with a large, sweeping "D" and a long, horizontal tail stroke.

I. W. Duggan,
Director, Southern Division.

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
WASHINGTON, D. C.

TO AGRICULTURAL CONSERVATION COMMITTEEMEN IN SOUTH CAROLINA

June 1, 1938

Dear Committeeman:

Letters frequently come to us which indicate that there is a general belief that farmers cannot produce all the food and feed needed for the home and farm and at the same time plant within their total soil-depleting acreage allotments.

In addition to the soil-depleting feed crops that may be grown on soil-depleting acreage allotments, other feed may be produced on the acreage available for nondepleting crops. In fact many farmers can produce non-depleting feed crops, particularly cowpeas and soybeans for hay and peanuts for hogging, more profitably than soil-depleting feed crops.

In South Carolina for the 5 years, 1928-32, the average corn production was about 13 bushels per acre, giving about 625 pounds of total digestible nutrients. During this same 5-year period, cowpeas, soybeans, and lespedeza each produced an average of about three-fourths of a ton of hay per acre, or about 750 pounds of total digestible nutrients; alfalfa produced 2 tons of hay per acre, or about 2,000 pounds of total digestible nutrients, and peanuts produced an average of 675 pounds per acre, with a total digestible nutrient value (because of their high fat content) of about 700 pounds. To summarize, corn produced an average of 625 pounds of total digestible nutrients per acre, as compared with about 750 pounds from cowpea, soybean, and lespedeza hay each, 2,000 pounds from alfalfa hay, and about 700 pounds from peanuts. From this, it may be seen that in South Carolina the nondepleting crops compare favorably with corn in the production of feed, although this is not true, except for alfalfa, in the commercial corn producing area where corn yields are high. The nondepleting crops, moreover, have the additional advantages of leaving the land in a more productive condition than corn, and in many cases they can be planted later and on land not well adapted to corn.

In addition to hay, cowpeas produce green peas which should be available for family table use before hay-cutting time, without materially lowering the feed value of the hay. Peanuts, when hogged off, as well as cowpeas and soybeans, provide means for supplementing grain in producing the home meat supply. This may release grain for use where grain is practically necessary, such as for food, some of the feed for workstock, and for poultry.

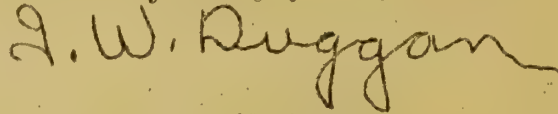
It may be pointed out, too, that land will be counted as soil-depleting in 1938 only once, no matter how many general soil-depleting



crops are harvested from it. For instance, land on which a crop of oats has been harvested may be followed by a crop of corn, sweetpotatoes, or sorghum for syrup, and be classified as soil-depleting only once.

By a wise use of the total soil-depleting acreage allotment, as well as other available land on the farm, each farmer should be able to produce an adequate supply of food and feed for home use. You, as a committeeman, can be of assistance to farmers by telling them how they may accomplish this.

Very truly yours,

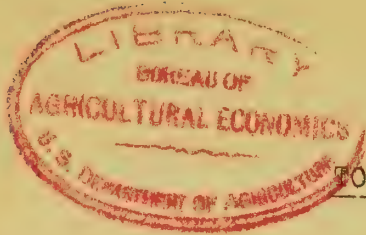
A handwritten signature in dark ink, reading "I. W. Duggan". The signature is written in a cursive style with a long, sweeping underline that extends to the right.

I. W. Duggan,
Director, Southern Division.

SR Committeeman Letter No. 205 - Texas

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D.C.

JUL 29 1938



TO AGRICULTURAL CONSERVATION COMMITTEEMEN IN TEXAS

June 7, 1938

Dear Committeeman:

Letters frequently come to us which indicate that there is a general belief that farmers cannot produce all the food and feed needed for the home and farm and at the same time plant within their total soil-depleting acreage allotments.

In addition to the soil-depleting feed crops that may be grown on soil-depleting acreage allotments, other feed may be produced on the acreage available for nondepleting crops. In fact, many farmers can produce nondepleting feed crops, particularly cowpeas and soybeans for hay and peanuts for hogging, more profitably than soil-depleting feed crops.

In Texas for the five years, 1923-32, the average corn production was about 17 bushels per acre, giving about 800 pounds of total digestible nutrients, while the production of grain sorghum was 15 bushels per acre or about 680 pounds of total digestible nutrients. During the same 5-year period, cowpeas and soybeans each produced an average of about $\frac{2}{3}$ of a ton of hay per acre or about 700 pounds of total digestible nutrients; alfalfa produced about 2 $\frac{1}{2}$ tons of hay per acre or about 2,400 pounds of total digestible nutrients; and peanuts produced an average of 500 pounds of nuts per acre with a total digestible nutrient value (because of their high fat content) of about 520 pounds.

To summarize, corn produced an average of approximately 800 pounds of total digestible nutrients per acre and grain sorghums an average of 680 pounds, as compared with 700 pounds from cowpea and soybean hay each; 2,400 pounds from alfalfa hay and about 520 pounds from peanuts.

From this, it may be seen that, in Texas the nondepleting crops compare favorably with corn and grain sorghum in the production of feed, although this is not true, except for alfalfa, in the commercial corn-producing areas where corn yields are high. The nondepleting crops, moreover, have the additional advantages of leaving the land in a more productive condition than corn and grain sorghums and, in many cases, they can be planted later than corn and on land not well adapted to its production.

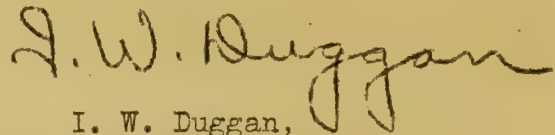
In addition to hay, cowpeas produce green peas which should be

available for family table use before hay-cutting time, without materially lowering the feed value of the hay. Peanuts, when hogged off, as well as cowpeas and soybeans, provide means for supplementing grain in producing the home meat supply. This may release grain for use where grain is practically necessary, such as for food, part of the feed for workstock and for poultry.

It may be pointed out, too, that land will be counted as soil-depleting in 1938 only once, no matter how many general soil-depleting crops are harvested from it. For instance, land on which a crop of oats has been harvested may be followed by a crop of corn, sweetpotatoes, or sorghum for syrup, and be classified as soil-depleting only once.

By a wise use of the total soil-depleting acreage allotment, as well as other available land on the farm, each farmer should be able to produce an adequate supply of food and feed for home use. You, as a committeeman, can be of assistance to farmers by telling them how they may accomplish this.

Very truly yours,

A handwritten signature in dark ink, reading "I. W. Duggan". The signature is written in a cursive style with a large, sweeping "D" and "g".

I. W. Duggan,
Director, Southern Division.

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
WASHINGTON, D. C.



JUL 29 1938

June 10, 1938.

Dear Committeeman:

A great deal of misunderstanding exists about the importation of foreign cotton to the United States. The purpose of this letter is to give you the facts about cotton imports, both for your own information and to enable you to answer any questions about the situation which may be asked you.

In this connection, a recent article in a Richmond (Va.) newspaper stated that 12,000 bales of cotton from Calcutta, India, were stored in a Richmond warehouse for delivery to a textile company in North Carolina. References to this article and numerous inquiries received by this Division indicate that many people received the impression that this country had suddenly started importing cheap cotton from foreign countries to compete with cotton produced here at home. In some cases the impression has been given that the adjustment programs were responsible for the imports of cotton.

This is not the case at all. Manufacturers in the United States have been importing cotton of various grades and staple lengths from foreign countries for many years. This is a normal practice. Broadly, three classes of cotton are imported: (1) Especially long and fine staple cotton, such as Egyptian and Peruvian varieties; (2) the so-called rough varieties produced in India and China; and (3) very cheap foreign growths which at times can be imported and sold to advantage in competition with the cheaper cotton mill waste or the very low grades of American cotton. Most of the imported cotton has special qualities not commonly found in cotton produced in the United States.

In 1926, when this country produced a crop of 18,000,000 bales and exported over 11,000,000 bales, imports of foreign cotton to the United States totaled 400,000 bales. During the 10-year period 1923-32 the annual average of cotton imports was 273,000 bales. This dropped to an average of only 163,000 bales for the 4-year period 1933-36. For the first 8 months of the current marketing year imports of foreign cotton totaled 80,000 bales, as compared with 139,000 bales for the same period a year ago. In other words, the cotton imports of the United States have been steadily declining.

The rough cotton produced in India and China is very short in staple length, and the fiber is harsh and crinkly. The staple length of imported Indian cotton averages about 5/8 inch. It does not compete with ordinary cottons, but it is better suited for mixing with wool in cotton-wool blankets and various kinds of part-wool cloth than cotton produced in the United States. This probably explains the fact that imports of cotton from India and China totaled 74,000 bales for the 9 months ending April 30,

1937, a period when there was a strong demand for wool; whereas the imports from India and China totaled only 39,000 bales for the 9 months ending April 30, 1938. Costs of the rough growths of India and China have been somewhat higher in recent months than the prices of low to medium grade American cotton, but the rough growths are far cheaper than wool in the manufacture of blankets.

The 12,000 bales of cotton from India which received so much publicity when "spotted" in the Richmond warehouse were consigned to the Beacon Manufacturing Co., Swannanoa, N. C., blanket manufacturers. The Richmond News-Leader of April 22, 1938, quoted officials of the Beacon Manufacturing Co. as stating that this shipment was imported for use in making blankets because, being of rougher fiber, "it makes a blanket more nearly resembling wool than those made from domestic staple."

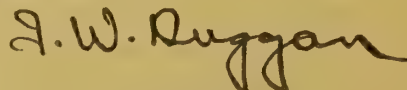
In connection with a discussion of cotton imports, it should be pointed out that a number of years ago the United States Department of Agriculture undertook experiments to determine the possibility of growing rough cotton in this country. Although the experiments indicated that such cotton could be grown here, American growers did not find it advisable to turn from the production of the regular American varieties, for which there was a large dependable outlet, to this specialty product for which the demand is small.

You can readily see that as long as the United States exports cotton to foreign markets the cotton will have to bring as high a price, in addition to transportation and handling charges, as the exporter could get at home. Otherwise there would be no incentive for exporting cotton. And as long as the price of cotton at Liverpool or other foreign markets is higher than the United States price there is not much likelihood of foreign countries sending cotton of similar quality to this country in any considerable quantity.

It is safe to say that imports of cotton to the United States will continue to be confined to very small amounts of special types not commonly produced here. There is no ground for believing that there is a trend toward larger imports.

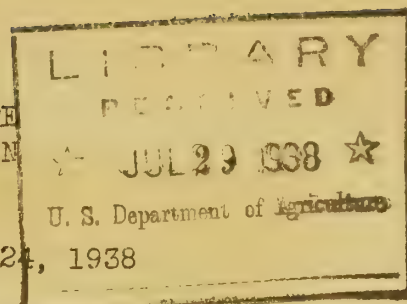
You will be doing a service to the cotton producers of your neighborhood by keeping them posted concerning this and other phases of the cotton situation.

Sincerely yours,



I. W. Duggan,
Director, Southern Division.

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.



June 24, 1938

TO COMMITTEEMEN IN FLUE-CURED TOBACCO COUNTIES

Dear Committeeman:

For the past few months committeemen have worked on the acreage allotments for tobacco and other soil-depleting crops under the Agricultural Conservation Program. These acreage allotments for tobacco are separate from the poundage marketing quotas to be established under the new Farm Act, but they serve as a guide to farmers in anticipating the amount of their poundage marketing quotas.

If farmers' original plans for 1938 had been carried out, the result would probably have been the largest crop of flue-cured tobacco ever grown in the United States. Farmers might have been faced with a market situation next fall similar to that in 1920, or 1930 and 1931. Certainly, prices would have been materially lower than in recent years. Flue-cured tobacco growers had the choice of planting a large crop and probably getting a lower price next fall, or of cooperating in an effort to maintain the favorable income which they have received during the past four years.

The acreage allotments established under the Agricultural Conservation Program represent about as large a crop as farmers can expect to grow in 1938, if growing conditions are average, and still maintain favorable prices. However, these allotments are much smaller than the acreage farmers had planned to grow and it is natural that there should have been many requests for larger allotments.

With only a short time available after enactment of the Agricultural Adjustment Act of 1938, in which to explain the program and to complete the large amount of work connected with the establishment of allotments, numerous questions could not be answered fully. Some of the questions that have been raised regarding the establishment of allotments are discussed below:

Establishment of Acreage Allotments for States

State acreage allotments for 1938 were established on the basis of the acreage during the past five years with adjustments for trends in acreage; abnormal weather conditions, plant-bed diseases, and for small farms.

The adjustment for trends was made by giving greater weight to the 1937 acreage than to the acreage in other years. This was done by taking an average of (1) the past five-year average planted and diverted acreage, (2) the State base acreage under the 1937 Agricultural Conservation Program, and (3) the 1937 harvested and diverted acreage.

The 1937 harvested and diverted acreage was used for Florida instead of the State base under the 1937 Agricultural Conservation Program so as to give partial recognition to the extremely sharp upward trend in that State.

In adjusting for plant-bed diseases (blue-mold) the planted acreage was compared with the reported "intentions to plant" acreage for 1937 and the higher of the two acreages used for each State. It was unnecessary to adjust for weather conditions or blue-mold in the other four years as all States were affected practically the same over the four-year period.

In adjusting for small farms, consideration was given to the difference in the proportion of the tobacco acreage on small farms in the several States.

The data in the following tables were used in establishing the 1938 State acreage allotments:

Table 1.- Flue-cured tobacco: Harvested plus rented and diverted acres, 1933-37

State	1933	1934	1935	1936	1937
	<u>Acres</u>	<u>Acres</u>	<u>Acres</u>	<u>Acres</u>	<u>Acres</u>
Virginia	79,000	98,500	100,700	103,800	123,200
North Carolina	667,800	694,700	710,500	726,800	780,800
South Carolina	103,000	102,400	109,700	107,200	126,100
Georgia	65,800	73,300	82,800	96,400	110,700
Florida	5,000	6,500	7,900	9,100	18,300
Total	920,600	975,400	1,011,600	1,043,300	1,159,100

Table 2.- Data relative to 1938 Flue-cured tobacco: Acreage allotments

State	1937 intend- ed plant- ings	Average of (a) 5-yr. average; (b) 1937 State base and (c) 1937 acreage	1938 allotment not ad- justed for small farms and new farms	1938 allotment adjusted for small farms and new farms	Total tobacco farms 1938	Average allot- ment per farm
	<u>Acres</u>	<u>Acres</u>	<u>Acres</u>	<u>Acres</u>	<u>Number</u>	<u>Acres</u>
Virginia	106,000	111,476	86,729	90,000	22,259	4.04
North Carolina	647,000	750,973	584,262	590,000	110,827	5.32
South Carolina	105,000	117,026	91,047	95,000	21,904	4.34
Georgia	99,000	95,417	74,235	83,000	28,342	2.93
Florida	10,800	13,787	10,727	13,700	5,301	2.58
Total	967,800	1,088,679	847,000	871,700	188,633	4.62

Most of the questions regarding the 1938 State acreage allotments have concerned a comparison with the 1937 acreage, the 10-year average acreage, or the acreage of some other one period. The real problem, however, is whether or not the 1938 State acreage allotments will permit the establishment of allotments on the same basis for similarly situated farms in each of the States. In this connection, it should be noted that in each State the total of all individual allotments (determined for individual farms in accordance with uniform instructions) is approximately equal to the calculated allotment for that State. No arbitrary adjustment of individual farm allotments has been required in any State in order to bring them within the State allotment.

Frequently, questions have been raised about the allotments without adequate knowledge of all factors considered in establishing allotments. Any comparison made on only one of these factors will undoubtedly lead to an erroneous conclusion.

Establishment of Allotments for Individual Farms

Acreage allotments for individual farms are based on the past acreages of tobacco grown on each farm, adjusted for abnormal weather conditions and plant-bed diseases, considering the land, labor and equipment available for the production of tobacco; crop rotation practices; and the soil and other physical factors affecting the production of tobacco. The past acreage of tobacco offers the best basis for comparison of 1938 allotments.

1. For farms on which tobacco has been grown during the past three years or longer, the allotments average about 75 percent of the average harvested and diverted acreage during the three years. However, it should be noted that those farms which made material increases in plantings in 1936 and 1937 did not receive allotments in relation to the full average acreage unless such allotments could be justified on the basis of the land, labor and equipment on such farms in relation to other farms in the locality.
2. For farms on which tobacco was grown only in two of the past three years and for all tobacco farms on which the tobacco acreage was greatly increased in 1936 and 1937, the allotments average approximately 50 percent of the higher acreage in the two years. Farms on which abnormally large acreages of tobacco were grown in these years as compared with the acreage on similar farms in the locality received allotments lower than this average. The reverse of this is also true.
3. Farms on which tobacco was grown only in 1937 received allotments averaging approximately 40 percent of the 1937 acreage. As in the case of other classes of farms, the

allotments are smaller in relation to the 1937 acreage where plantings in 1937 were excessive as compared with the acreage of tobacco on other similar farms in the locality.

4. New tobacco farms in 1938 received small allotments based on land, labor and equipment. Owing to the large number of new farms, the allotments for most of them were either .7 acre or 1.3 acres. The total of the allotments for such farms is about 25,000 acres, or slightly below 3 percent of the total national allotment.

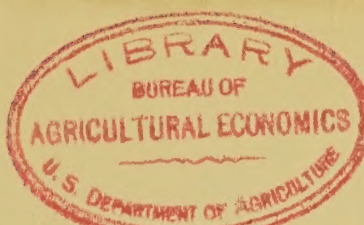
By providing for the establishment of allotments in relation to the past acreage as indicated above, it is thought that all tobacco growers will be given an opportunity to participate in a program to protect their income. Farms on which tobacco has been grown over a long period of years made some larger adjustments than would have been required had it not been for the necessity of giving consideration to farms on which production of tobacco was begun in 1936 and 1937 and to new farms in 1938. The new tobacco farms, on the other hand, received smaller allotments in relation to their equipment than farms with a longer tobacco history. Nevertheless they were given allotments which would enable them to participate in the 1938 program. Thus, both groups of farms made adjustments which should tend to prevent continuance of production on an expanded basis that would be disastrous to the entire tobacco growing industry.

It is the opinion of tobacco growers generally that only such an acreage should be grown as there is a reasonable chance to sell at a reasonable price. The 1938 allotments, with average yields, are in line with this principle.

Very truly yours,

I. W. Duggan

I. W. Duggan,
Director, Southern Division.



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UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Adjustment Administration
Washington, D. C.

August 10, 1938

Dear Committeeman:

The Crop Insurance Program is definitely a part of the 1939 Farm Program. Therefore, the work necessary to its successful operation becomes a part of your duties as committeeman. The reports that come to us indicate that wheat farmers generally favor crop insurance, but in spite of this, they are responding rather slowly. On July 30, no applications had been received from Arkansas, 81 had been received from Oklahoma, and 106 from Texas. There are only about 15 days left in which to apply for 1939 crop insurance. We urge that your committee make a special effort to explain the insurance plan to every producer in your county before August 31. This will give him a better opportunity to decide whether or not he should apply for wheat crop insurance.

It seems that column "a", Item 5, of the application is delaying the completion of applications more than anything else. Farmers want to know their wheat acreage quotas before filling in this column. Quotas to individual farms probably cannot be established before the closing date for taking applications. You can, however, give producers a close approximation of their acreage quotas. Your not knowing the exact quotas should not hold up the applications. If the premium is paid on an acreage in excess of that actually seeded, any excess will either be refunded or carried over as a credit on next year's premium, according to the wishes of the applicant.

Although commercial insurance has for many years been available to those who handle farm products after these products leave the farm, it is not until 1939 that wheat farmers are offered this same protection for their growing wheat crop. This insurance covers losses due to hail, drought, fire, insect damage and any other unavoidable hazard. It guarantees a crop of wheat equal to 50 or 75 percent of the adjusted average yield for the individual farm.

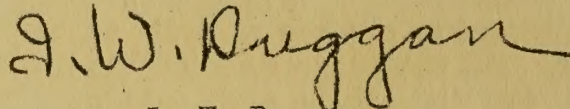
Premium rates are based on the losses experienced on the farm, averaged with the losses normally occurring in the county in which the farm is located. Over a period of several years, losses paid by the Federal Crop Insurance Corporation to each policy-holder should equal the premiums which he has paid in. Policy-holders do not have to bear any overhead or storage costs. It is, in reality, a farmers' mutual insurance company with nation-wide operation and with nation-wide resources to cover losses.

Crop insurance is designed to increase the farm income in the years of low yield. On the other hand, provision is made for the payment of two years' premium in one year. This allows farmers to pay most of their premiums in years of high production when wheat prices are relatively low.

Crop insurance, if used generally, should help the financial situation in your community. It will carry the wheat producers over periods of crop failure when their income is low and their credit is strained. A larger and more stable income, due to crop insurance, will also tend to lift the burden of crop failure from all those whose livelihood depends on the buying power of wheat farmers.

We have a big job ahead of us in crop insurance. If this office can be of any assistance to you, please feel free to request it.

Very truly yours,

A handwritten signature in dark ink, reading "I. W. Duggan". The signature is written in a cursive style with a large, sweeping "D" and a long, horizontal tail stroke.

I. W. Duggan,
Director, Southern Division